

1 WILLIAM BLUMENTHAL
General Counsel

2 JANICE L. CHARTER Colo. Bar No. 12750
3 DAVID M. NEWMAN Cal. Bar No. 54218
4 THOMAS DAHDOUN N.Y. Bar No. 2222370
Federal Trade Commission
901 Market Street, Suite 570
5 San Francisco, CA 94103
Phone (415) 848-5100/ Fax (415) 848-5184
6 jcharter@ftc.gov
dnewman@ftc.gov
7 tdahdouh@ftc.gov

8 Attorneys for Plaintiff
Federal Trade Commission

10 **UNITED STATES DISTRICT COURT**
11 **NORTHERN DISTRICT OF CALIFORNIA**
12 **SAN FRANCISCO DIVISION**

13 **FEDERAL TRADE COMMISSION,**

14 Plaintiff,

15 v.

16 NEXTCLICK MEDIA, LLC, a Delaware
limited liability company,
17 dba StopSmoking180.com,
StopSmokingResolution.com,
18 BeautifulSkin.com, and
OnLineDirectProducts;

19 NEXT INTERNET, LLC, a Delaware
limited liability company;

21 KENNETH CHAN, individually and as an
officer of NEXTCLICK MEDIA, LLC, and
22 NEXT INTERNET, LLC; and

23 ALBERT CHEN, individually and as an
officer of NEXTCLICK MEDIA, LLC,
24

25 Defendants.
26

4:08-cv-01718 VRW

**PLAINTIFF'S
RECOMMENDATION FOR
TEMPORARY RECEIVER**

27 Plaintiff the Federal Trade Commission ("FTC" or "Commission"), in conjunction
28 with its application for a temporary restraining order with asset freeze and other equitable

1 relief, including appointment of a temporary receiver, submits the name of Stephen E.
2 Andersen as a candidate for the Court to consider for appointment as a temporary
3 receiver in the above-captioned matter.

4 As noted in the attached resume, Ex. A, Mr. Andersen possesses outstanding
5 qualifications to serve in this regard. A principal at Pine Grove Associates since 1995,
6 he has most recently served as a receiver in an SEC action in the Northern District of
7 California involving a \$17 million real estate investment scheme. He has also served as a
8 receiver in a major criminal bank fraud matter in state Superior Court in Contra Costa
9 County. Before 1995, he was a commercial banker specializing in commercial, real
10 estate, and construction lending, problem loan resolution, and the disposition of
11 foreclosed property. He is assisted by others in his firm, including Stephan A. Werth, a
12 Certified Public Accountant, Certified Financial Planner, and Certified Fraud Examiner.
13 Should he need legal counsel, he will avail himself of the services of Jamie L. Dupree,
14 whose qualifications are listed on Ex. B. Mr. Andersen's rates are shown on Ex. C.
15 Based on all of these factors, the Commission believes that Mr. Andersen is eminently
16 qualified to serve as a receiver in this matter.

17
18 Respectfully submitted this March day of 31, 2008,
19
20

21 /S/
22 JANICE L. CHARTER
23 DAVID M. NEWMAN
24 THOMAS DAHDOUN
25 Federal Trade Commission

26
27 Attorneys for Plaintiff
28 Federal Trade Commission

PINE GROVE ASSOCIATES, INC.
Stephen E. Anderson, Receiver
P.O. Box 587
Alamo, CA 94507
(925) 944-3515 FAX: (925) 944-3512
e-mail: steve@pinegroveassoc.com

Stephen E. Anderson - Receiver

- Currently acting as court appointed Receiver throughout northern California;
- Recently concluded a Receivership appointment in Ada and Cassia Counties, Idaho; and Malheur County, Oregon;
- Recently concluded a Receivership appointment in the United States District Court, Northern District of California;
- Consulting and expert witness assignments.

Pine Grove Associates, Inc., Moraga, California
Principal - November, 1995 to Present

Pine Grove Financial Group, Alamo, California
Principal - September, 1983 - November, 1995

Pine Grove Associates, Inc. concentrates on three primary areas. Financial and organizational restructure, the financing of real estate, and acting as a court appointed Receiver. The following is a list of major entities served and projects completed:

Andrew Associates, San Francisco, California

- Wind-up the Receivership practice of Paul B. Andrew and Andrew Associates.
- Mr. Andrew had been a Receiver on some four hundred fifty (450) cases over twenty- five plus (25+) years. Mr. Andrew asked Stephen E. Anderson to join him for the purpose of winding up his remaining cases.

Union Bank, San Francisco, California

- Established the OREO Department and served as President of related subsidiary. Employed staff; contracted for facilities and equipment; developed incentive compensation program; evaluated, purchased and installed accounting system; developed and implemented monthly and quarterly management reporting system; and prepared and implemented initial policy and procedures manual.

- Through a staff of 20 located in offices in San Diego, Irvine, and Walnut Creek, and with the assistance of various outside consultants, provided pre-foreclosure due diligence analysis, participated in setting of foreclosure bid, managed all property from acquisition through stabilization, marketing and sale.

Brittingham Properties, Inc., San Francisco, Dallas, and Victoria, Canada

- Evaluation, purchase and financing of one-half million square feet of multi-tenant office buildings from the Dallas regional office of the RTC.
- Evaluation and bid preparation of a 130 property bulk purchase from the Dallas regional office of the RTC.
- Evaluation and purchase of the Bedford Hotel, Victoria, Canada

Wallace-Olson Associates, Inc., Moraga, California

- Established and maintained banking relationships.
- Responsible for coordination of loan submittals, approvals and funding of approximately \$100 million of residential and commercial construction loans.
- Coordinated loan submittals, approvals, and funding of approximately thirty million dollars of commercial permanent loans.

Tahoe Boat Company, Lake Tahoe, California

- Restructured debt; created and installed a business plan including a budget and accounting system.

Tahoe Boat Storage Company, Lake Tahoe, California

- Created legal entity, developed and implemented business plan including installation of a budget and accounting system.

St. Francis Winery and Vineyard, Kenwood California

- Restructured debt, created and installed a business plan including a budget and accounting system.
- Coordinated refinance and sale to a group of existing partners.

Lamorinda National Bank, Lafayette, California

Senior Vice President, Chief Credit Officer

July, 1982 to September, 1984

- Established credit function, developed loan policy and loan reporting procedures. Chairman, Bank Loan Committee; Secretary, Directors' Loan Committee; Board appointed Compliance Officer

Plaza Bank of Commerce, San Jose, California

Senior Vice President, Administration

July, 1980 to July, 1982

- Coordinated regulatory approval of branch offices and development of the physical facility after approval. Responsible for the establishment of the real estate lending function, development of a bank loan policy and loan reporting procedures. Supervised collection of problem loans. Member of management and loan committees; Board appointed Compliance Officer

Wells Fargo Bank, San Francisco, California

1967- 1980

Vice President, Credit Administration

Real Estate Industries Group (REIG)

September, 1976 to July, 1980

- Responsible for quality of credit generated by Northern California Division of (REIG) This portfolio consisted of approximately \$1 billion in loans committed to Real Estate Investment Trusts, Mortgage Bankers, and construction and unsecured loans to Builder/Developers. Member of (REIG) loan committee. President of subsidiary company responsible for management and disposition of property acquired through foreclosure and REIT asset exchanges (swaps).

Vice President and Manager Construction Loans

Real Estate Industries Group

May, 1975 to September, 1976

- Coordinated the formation and management of the Construction Loan Division of (REIG) This division was responsible for all construction credit of Wells Fargo Bank. The portfolio commitments increased from \$300 million to \$600 million.

Vice President

Corporate Banking Center

May, 1971 to May, 1975

- Coordinated real estate activities between Wells Fargo Bank and national corporations. These relationships included unsecured, secured, and Note and Deed of Trust lending. Responsible for real estate related relationships with correspondent banks.

Various Branch Assignments

1969 – 1971

Bank Officer Training Program

1968 – 1969

Real Estate Appraisal Department

1967 – 1968

Education:

University of San Francisco, San Francisco, California
Bachelor of Science

Pacific Coast Banking School, University of Washington, Seattle (HON)

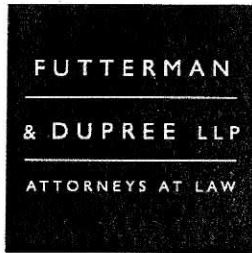
Loyola Law School of Los Angeles, Los Angeles, California
Receivership Administration, Procedures and the Law

Licenses:

State of California, Bureau of Security and Investigative Services
Private Investigator License No. 20623

Other Activities:

Congressional testimony on RTC Operations and Practices 1991, House Banking Committee, Washington, D. C.;
Guest Lecturer, American Bankers Association;
Expert Witness in Real Estate Appraisal, Superior Court, State of California;
California Receivers Forum – Bay Area Chapter.
California Receivers Forum – A Case Study in Receiver Taxation



160 SANSOME STREET
17TH FLOOR
SAN FRANCISCO, CA 94104
415-399-3840 TEL
415-399-3838 FAX
www.dfdlaw.com

COUNSEL TO RECEIVERS

Martin H. Dodd, Michael A. Futterman, and Jamie L. Dupree founded Futterman & Dupree LLP in 1998 after many years of practice at larger, well-known law firms. The firm strives to provide high quality and creative legal solutions in a cost-effective manner.

The firm has substantial expertise in the area of receiverships and has represented receivers in both federal and state court. Martin Dodd and Jamie Dupree have each represented Stephen Anderson and Pine Grove Associates in federal securities fraud receiverships as well as state court receiverships. Mr. Dodd has also acted a receiver. The firm also represents other receivers, and is currently representing the receiver appointed to oversee the California prison medical system.

In representing receivers, the firm is able to address complex legal and factual issues from both a legal and equitable perspective. Solutions to issues in receiverships often require more than application of legal principles; they require creativity within the framework of the law. The firm particularly enjoys working on these types of problems.

Mr. Dodd received his B.A. (with Highest Honors) from the University of California, Santa Cruz in 1974, an M.A. from Harvard University in 1977 and his J.D. from the University of California, Berkeley (Boalt Hall) School of Law in 1982. He is a member of Order of the Coif.

Ms. Dupree received her B.A. from Stanford University in 1987, and her J.D. from New York University School of Law (cum laude) in 1990. She is a member of Order of the Coif, and clerked for the Honorable Stanley S. Brotman, United States District Court Judge, District of New Jersey, in 1990-1991.

Futterman & Dupree LLP's rates are quite competitive. In 2007, Mr. Dodd's hourly rate is \$365 and Ms. Dupree's hourly rate is \$350. Associates and legal assistants are used in receiverships as appropriate, and bill out at substantially lower rates.

Anderson Exh. B



August 24, 2007

Janice L. Charter
Attorney, Federal Trade Commission
901 Market Street, Suite 570
San Francisco, CA 94103-1768

Dear Ms. Charter,

Thank you for the opportunity to submit my resume for consideration as a receiver. Based on your brief description, I am confident that Pine Grove Associates has the experience, expertise and background to take on the role of the receiver in this case. Please feel free to contact me about more specific qualifications. I would be happy to meet with you and the other counsel of record to explain in detail my experience and qualifications.

Pine Grove Associates billing rates are as follows:

| | |
|--|-------------------|
| Stephen E. Anderson, Receiver | \$225.00 per hour |
| Stephan A. Werth, CPA, Certified Fraud Examiner, Certified Financial Planner, Series 7 and 66 Licensee | \$175.00 per hour |
| Administrative Assistance | \$65.00 per hour. |

All other related charges such as travel, bonds, bridge tolls, parking and postage and delivery are reimbursed on a cost basis.

Attached is a letter from Jamie L. Dupree expressing her willingness to act as counsel for the receiver. Also attached is a rate schedule for Futterman & Dupree LLP.

Again, thank you for this opportunity.

Best regards,

A handwritten signature in black ink, appearing to read "S. Anderson", written over a horizontal line.

Stephen E. Anderson,
Receiver

SEA/kk

Anderson Exh. C